

WISCONSIN DEPARTMENT OF WORKFORCE DEVELOPMENT  
Division of Workforce Solutions  
Bureau of Workforce Programs  
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TO: Medical Assistance Handbook Holders

FROM: Gary Denis, Acting Director  
Bureau of Workforce Programs

Rick Zynda, Director  
Office of Nutrition Services and Program Integrity

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RE: MA Handbook Release 02-03

DATE: July 1, 2002

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EFFECTIVE DATE

Release and effective dates are on each page in the upper left-hand corner. The first is the release date; the second is the effective date. Policy changes are noted with a vertical line. Deletions are noted with a horizontal line.

Implement the instructions at application, review, and change, or, if you wish, earlier. If there is a different effective date or implementation schedule, it will be noted below.

The following changes are included in this release:

**CHANGES**

Disabled Minor Unit,  
MA Deductible Unit, 19.7.2

The OBD-Related Determination worksheet has been renamed to the EBD-Related Determination worksheet (WKST 06). WKST 06 can now be found in the worksheet section of your handbook.

2.3.0, 3.6.3, 10.7.3.1,  
12.8.6.1, 19.7.6, 27.10.1,  
33.5.7, 36.4.0

Information about mailing, faxing, or e-mailing DES 3070s was added.

12.1.1, 12.3.0, 33.3.0,  
39.2.0

We changed the reference from the Initial Unit to the General MA Non-Financial Appendix.

1.8.2

A reference to the Model Letter was removed. The Model Letter is obsolete.

1.9.0

A reference to the definition of a public institution was added.

1.9.1

Form numbers for the MA application forms were added.

A reference was added to the list of state correctional facilities in

which the Warden may sign the application for the client.

The process regarding the completion of the Confidential Information Release Authorization – Release to Disability Determination Bureau forms (HFS-9D) was added.

CARES processing instructions and the dates of eligibility for inmates was clarified.

- 1.9.2 Use the list of state correctional facilities to determine in which situation the Warden may sign the application for the client.
- 2.1.0, 2.1.1 The Child Citizenship Act of 2000 policy was incorporated from Operations Memo 01-55.
- 5.2.3 The form number for the Confidential Information Release Authorization – Release to Disability Determination Bureau form (HFS-9D) was added immediately following the title of the form.
- 5.3.3 A contact name and phone number were added for obtaining disability cases that have been denied and are over 60 days old.
- 6.6.0 The definition of an Income Spouse (SI) for the Medicaid Purchase Plan (MAPP) was added. The income spouse is the spouse of the MAPP applicant, as long as the two are living together.
- We added the definition of MAPP test children (TC). MAPP test children are the natural or adoptive children of the MAPP applicant. They are included in the Fiscal Test Group (FTG), but their income and assets are not counted in the eligibility or post-eligibility tests.
- 10.6.0, 10.7.0 References were updated for the following:
- Support payments (15.3.2.1).
  - Work related expenses (15.3.6).
- Self-Support Plans were added to the list of monthly costs that are used in determining an institutionalized person's monthly need.
- 10.6.1 The average hospital daily rate was increased from \$1,676.66 to \$2,084.90.
- 10.6.3, 10.6.3.1 Indemnification policies are insurance policies that provide benefits in a fixed amount for each day of confinement, such as a hospital or nursing home stay, regardless of the expenses actually incurred. Premiums for hospital insurance that pays for each day of hospitalization can be used as a deduction in both the eligibility test and post-eligibility calculation.

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- 10.6.3.2 Clients must cooperate in providing Third Party Liability (TPL) coverage and access information regarding indemnification policies. Clients must also assign payments from indemnification policies to the State of Wisconsin. Terminate the eligibility for any individual that refuses to cooperate in providing TPL information or in assigning payments from hospital and nursing home insurance to the State of Wisconsin.
- 10.6.4 Support payment information was replaced with a reference to 15.3.2.1.
- 10.6.5 Information about fees to guardians or attorneys was replaced with a reference to 15.3.2.3.
- 11.5.3.1 The policy regarding irrevocable assignment of Life Insurance Funded Burial Contracts (LIFBC) was further clarified through an expanded example and an additional example.
- 12.3.4.2 We clarified that insurance coverage information is only sent to EDS when the information is complete in CARES.
- We clarified that eligibility will end at the end of the month following adverse action for those with insurance coverage now or in the past three benefit months.
- 12.5.2 An example was added to clarify the concept of a MA eligible adult.
- 12.5.5 An example was added to clarify that an ineligible BadgerCare (BC) child is not counted in the fiscal test group (FTG). Do not count his/her income.
- 12.6.2 Use self-declared gross income when a client is **only** applying for MA. Use the appropriate prospective budgeting technique (15.6.1) when the client is applying for MA and any other program of assistance.
- 12.8.1 A reference to the FTG section of the BC appendix was added.
- This section was reorganized to incorporate the following sections regarding the initial eligibility:
- 12.8.1.1 Processing Timeframe
  - 12.8.1.2 Previous MA/BC Eligibility
  - 12.8.1.3 Initial Premium Payment
- An example was also added to more clearly explain the “free month.” A case, in which an eligibility decision is delayed for processing reasons, may need to pay the premium for the first and/or the second month following the free month before eligibility can begin depending on the length of the delay.

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- 12.8.2.3 In an advanced payment situation, when the premium amount changes, a refund will be issued for the difference when a decrease in the premium amount occurs. If the premium amount increases, the client will be expected to pay the difference. A coupon with the new premium amount will be issued, but the difference that is owed will not be communicated through the coupons.
- 12.8.6 A general change section was added to detail what process to use when the change results in an increase or decrease in the premium amount.
- 12.8.6.1 An example was added to clarify that the eligibility begin date for a person that was added to the case, is the date of the addition. This example also clarifies the begin date of an increase in the premium amount owed. A 3070 will need to be sent in to establish eligibility on the date the person was added to the household through the date that CARES is able to process them in the case.
- The example was modified to clarify the eligibility begin date for the person added to the case.
- 12.9.0 This example was changed to indicate that the client will receive an additional month of BC, not a “free month.”
- 13.3.0 Eligibility for Non-IV-E Foster Care children begins in the month in which all eligibility requirements are met.
- 13.4.0 Foster Care Re-determination policy was incorporated from Ops Memo 01-67.
- 15.3.2 A definition was added for special exempt income from the Special Exempt Income Unit. Special Exempt Income includes the following:
- 15.3.2.1 Support Payments
  - 15.3.2.2 Self-Support Plan
  - 15.3.2.3 Fees to Guardians and Attorneys
- 15.3.2.1 Information regarding support payments was incorporated into one location from 10.6.4. Court-ordered child support payments are considered court-ordered support payments.
- 15.3.2.3 Information regarding Guardian and Attorney Fees was incorporated in the definition of special exempt income.
- 15.3.3, 15.3.4 Medical/Remedial Expenses (MRE) and Impairment Related Work Expenses (IRWE) are anticipated incurred expenses.

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- 15.3.4 Blind Person's Expenses were incorporated with IRWEs.
- IRWEs are allowable for all EBD MA subprograms.
- Do not allow the expense of getting to and from work as an IRWE unless the expense is directly related to the client's disability. The exception is that this expense is always allowed for blind individuals.
- 15.4.14 Severance pay was moved to the earned income section.
- 15.5.12 Severance pay is a deferred wage and should therefore be counted as earned income in the month of receipt. If the wages are deferred at the employee's request or through a mutual agreement with the employer, count as earned income in the month in which it would have been received had it not been deferred.
- 15.6.1 A separate section was added for budgeting techniques.
- 19.7.2 The asset and income information for Tuberculosis (TB) was consolidated in one location.
- 19.7.5 The effective date section was removed. TB-related MA can be backdated up to three months prior to the month of application, if all TB eligibility requirements have been met during those months.
- 19.7.6 Certification for TB-related MA is not automated in CARES. Determine MA eligibility for all other subprograms of MA using CARES. If the client is eligible for any other program of MA, confirm his/her eligibility.
- If the client is eligible for TB-related MA, certify him/her manually using a 3070 with a medical status code of "TR", and confirm the denials for all other MA subprograms in CARES.
- 21.4.7, 21.5.3 The reference to IMM, Ch.II, Part G, 19.0.0 was replaced with the address for submitting a hearing request.
- 21.5.0 Notify the Estate Recovery Program (ERP) staff when a claim is filed against an estate by the county for an overpayment, incorrect payments, or for any client who has resided in a nursing home.
- 21.5.6 For estates of \$20,000 or less, home property that is being transferred by an affidavit for an MA client that passed away after September 1, 2001, may be subject to a lien if available liquid assets do not satisfy the claim. The state cannot enforce the lien if the client's spouse or a child who is under age 21, blind or disabled are still alive.

Both memorials and donations to churches, organizations, or institutions are not considered part of the burial costs.

- 21.5.8 The address for mailing voluntary Estate Recovery payments was updated.
- 21.7.0 Technical changes were made in this section. The age changed from 55 years of age to 54 ½.
- 21.8.0 In a mail-in application situation, if the Estate Recovery Program Disclosure form is sent to a client and not returned, record this in his/her file.
- 21.9.0 The following ERP contacts were updated:
- Address.
  - The Lien Specialist title and phone number.
  - The Affidavit Help Line name.
  - The Estate Claims Specialists phone numbers.
- 21.11.0 DHFS will return 5% of the collections made through a lien, voluntary payments, and probated estate recoveries.
- 21.12.0 ERP recovers for both MA Family Care and non-MA Family Care.
- 24.4.1 Care Management Organizations (CMOs) contract for Specialized Medical Vehicle (SMV) services, but do not cover common carrier or ambulance services.
- 24.4.1.3 Follow the guidelines outlined in this section when approving and reimbursing transportation services.
- Economic Support Agencies (ESA) may request documentation that an MA service was provided when a covered service is questionable or when the client was unable to obtain prior approval of a trip.
- When a client is 16 years of age or older, the need for an attendant must be determined by a medical professional.
- Counties or tribal agencies may approve up to four weeks of attendant care. Anything over four weeks requires prior authorization from the Department of Health and Family Services (DHFS).
- 24.4.1.4 The reference to the Administrative Rule was updated.
- 24.5.0 The co-payment information was updated.

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24.7.0	We clarified that clients will continue to use the same Forward card, even after eligibility has been lost and then re-established. Monthly cards no longer exist.
24.7.4.2	We clarified that the client's provider provides the tan temporary card for Presumptive Eligibility (PE) for pregnant women after a presumptive eligibility application has been completed.
25.2.0, 25.9.1, 25.10.0	Katie Beckett's are now considered Group A. Care managers and the Katie Beckett staff will coordinate to certify community waiver eligibility for children already eligible for MA through the Katie Beckett program.
25.2.4	Complete a manual Spousal Impoverishment Income Allocation worksheet (WKST 07) for any individual in a spousal impoverishment case and eligible for Group C waivers.
25.9.2.3	The policy to allow special exempt income as a deduction for Group B waivers was incorporated from Ops Memo 00-35.
26.2.0	The list of non-financial criteria was replaced with a reference to 40.2.0, general MA non-financial requirements.
26.4.0	We clarified that a child will receive Continuously Eligible Newborn (CEN) eligibility if the mother was determined to be eligible for full-benefit MA (24.2.0) from the State of Wisconsin at the time of the child's birth.
28.3.0	We changed the FFU Income worksheet reference to WKST 13.
28.4.0	The FFU Income worksheet (WKST 13) was moved to the worksheet section.
29.3.0	Information regarding the choice of review method was added to this section. The client has the choice of review method.
29.4.0	Witnessing the signature of the authorized representative is not required at the time of review, if the same person who signed the most recent application or review is signing the current review.
30.9.0	The Hospital Daily Rates Chart has been updated.
30.14.0	A chart with SeniorCare income limits was added.
32.7.0	The policy on reopening a Family Care case that has closed was incorporated.
33.2.2	If both members of a married couple apply for Medicaid Purchase Plan (MAPP), they are entered on the same case, but should be in separate Assistance Groups (AGs).

Include a MAPP client's minor or adoptive children (test children) in the FTG. Do not include the client's stepchildren in the FTG. Do not count the income of the test children.

33.3.4

We expanded the Health and Employment Counseling (HEC) definition to include the following:

- Participation is limited to twice within a five-year period.
- Participation can occur up to nine months, with a three-month extension, but cannot exceed 12 months.
- There must be six months between any two HEC participation periods.

33.4.1.1

A client can deposit up to 50% of his/her gross earnings in an Independence Account over a 12-month period.

33.4.2

Allow the current COLA disregard for the MAPP eligibility test between January 1<sup>st</sup> and the effective date of the current Federal Poverty Level (FPL) change. Allow the historical COLA disregard in the eligibility test for any MAPP client who is identified as a 503 (19.1.0) or a Disabled Adult Child (DAC) (19.2.0).

33.5.1

Allow the current COLA disregard in the MAPP post-eligibility calculation. Do not allow the historical COLA disregard in the post-eligibility calculation for any MAPP client who is identified as a 503 (19.1.0) or a Disabled Adult Child (DAC) (19.2.0).

33.5.3.2

In an advanced payment situation, when the premium amount changes, a refund will be issued for the difference when a decrease in the premium amount occurs. If the premium amount increases, the client will be expected to pay the difference. A coupon with the new premium amount will be issued, but the difference that is owed will not be communicated through the coupons.

37.3.1

Do not deny benefits if you have documentation that an application was made to obtain a Social Security Number (SSN).

38.3.5, 38.3.5.1, 38.3.5.2

Clients must cooperate in providing TPL coverage and access information regarding indemnification policies. Clients must also assign payments from indemnification policies to the State of Wisconsin. Terminate eligibility for any individual that refuses to cooperate in providing TPL information or in assigning payments from hospital and nursing home insurance to the State of Wisconsin.

38.6.0

The contact information for the Health Insurance Risk Sharing Plan (HIRSP) was updated.

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- 39.2.1, 39.2.2 Indian Health Services insurance coverage does not disqualify a woman from being eligible for Wisconsin Well Woman Medicaid.
- 39.6.0 It was clarified that eligibility can be backdated to the first of the month of whichever the following dates is later:
- Up to three months prior to the application date.
  - The month in which the diagnosis date occurs.
- We removed the underlining from the e-mail address to send e-3070s. There is an underscore between the “s” and the “3”.
- 40.0.0 The General MA Requirements were incorporated from the Initial Unit. The following are a list of subsections in the new appendix.
- 40.1.0 Definitions  
40.2.0 Non-Financial  
40.3.0 Financial
- 41.0.0 SeniorCare is a new prescription drug assistance program for Wisconsin residents 65 years of age or older, which will begin September 1, 2002. Applications for this program will be made available before the begin date.
- 41.1.0 Introduction  
41.2.0 Application  
41.3.0 Non-Financial Requirements  
41.4.0 Fiscal Test Group (FTG)  
41.5.0 Benefit Period  
41.6.0 Financial Requirements  
41.7.0 Cost Sharing Levels  
41.8.0 Countable Costs  
41.9.0 Addition of a Spouse  
41.10.0 Changes  
41.11.0 Re-Application  
41.12.0 Termination  
41.13.0 Decision Notices  
41.14.0 Appeals  
41.15.0 Annual Eligibility Review  
41.16.0 Benefits
- Worksheets The worksheets were reorganized to make filing more consistent.
- Listed below are the colored forms that are mentioned in the logic flow. The worksheets that correspond will no longer be printed in color. Refer to the worksheet identified whenever the colored worksheets are mentioned.

Yellow	This was formerly the AFDC-Related Determination worksheet. This has been made obsolete.
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Pink	EBD-Related Determination worksheet (WKST 06).
Green	Medicaid Institution Determination worksheet (WKST 04).

**Forms**

The forms information was updated to include the address for ordering the forms listed.

**Handbook Maintenance**

1. Disabled Minor Unit: Replace pages 1 & 2 with the new pages.
2. MA Deductible Unit: Replace page 2 with the new page.
3. Appendix Table of Contents: Replace pages 1 & 2, 5 & 6, and 9 - 29 with pages 1 & 2, 5 & 6, and 9 - 32.
4. Appendix 1.0.0: Replace pages 5 - 7 with pages 5 - 10.
5. Appendix 2.0.0: Replace the current appendix with the new one.
6. Appendix 3.0.0: Replace page 9 with the new page.
7. Appendix 5.0.0: Replace 1 & 2, 5 & 6 with the new pages.
8. Appendix 6.0.0: Replace pages 3 - 6, 11 - 19 with the new pages.
9. Appendix 10.0.0: Replace pages 3 - 12 with pages 3 - 11.
10. Appendix 11.0.0: Remove pages 5 - 26 and replace with the new pages.
11. Appendix 12.0.0: Remove the current appendix and replace with the new one.
12. Appendix 13.0.0: Remove the current appendix and replace with the new one.
13. Appendix 15.0.0: Replace pages 11 - 21 with pages 11 - 23.
14. Appendix 19.0.0: Replace pages 7 - 15 with the new pages.
15. Appendix 21.0.0: Replace page 7 - 17 with the new pages.
16. Appendix 24.0.0: Remove pages 3 - 13 with pages 3 - 14.
17. Appendix 25.0.0: Replace pages 1 - 8 with the new pages.
18. Appendix 26.0.0: Remove the current appendix and replace with the new one.
19. Appendix 27.0.0: Replace pages 5 - 8 with the new pages.

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20. Appendix 28.0.0: Replace pages 1 - 9 with page 1 - 4.
21. Appendix 29.0.0: Replace page 3 with the new one.
22. Appendix 30.0.0: Replace 30.9.0 with the new pages. Add 30.14.0 after 30.13.0.
23. Appendix 32.0.0: Replace page 7 with the new page. Remove the Family Care Eligibility Form.
24. Appendix 33.0.0: Remove the current appendix and replace with the new one. Remove all the worksheets at the end of the appendix.
25. Appendix 35.0.0: Create a new tab, label it "Forms," and place it after Worksheets section. Move all material from 35.0.0 to the new forms tab.
26. Appendix 36.0.0: Replace pages 3 - 5 with the new pages.
27. Appendix 37.0.0: Replace pages 3 - 4 with the new pages.
28. Appendix 38.0.0: Replace pages 3 - 13 with pages 3 - 15.
29. Appendix 39.0.0: Replace pages 1 - 6 with the new pages.
30. Appendix 40.0.0: Add to the Handbook after Appendix 39.0.0.
31. Appendix 41.0.0: Add to the Handbook after Appendix 40.0.0.
32. Worksheets: Remove all the worksheets and replace with WKST 01 - 13.
33. Forms: Create a new tab, label it forms, and place it after the Worksheet section. Replace page 1 with the pages 1 - 2. Use the list on page 1 to put the forms in order.

### **Remove** the following:

- Medicaid Deductible Worksheet (DES 2015)
- Real Property Agreement (DES 2225)
- Spousal Impoverishment Income Allocation Worksheet (DES 2354)
- OBD-Related Determination (DES 3044)
- MA Institution Determination (DES 3045)
- 35.1.8.2 Model Letter
- 35.3.4.0 Designation of Essential Person
- 35.5.2.3 Information Release Authorization

### **Replace** the following forms with the new versions:

- Medicaid/BadgerCare Certification (DES 3070)
- Medicaid – Disability Application (DES 3071)

**Insert** the following after the Information for Medicaid Disability Applicants form (DES 3071A):

- Medicaid Purchase Plan Work Requirement Exemption (DWS 13039)
- Medicaid Purchase Plan Transmittal of Medicaid Disability (DWS 13040)
- Medicaid Purchase Plan Independence Account Registration (DWS 13041)
- Medicaid Purchase Plan Recipient/Premium Information (DWS 13042)
- MA Waiver and Cost Sharing Worksheet (DSL-919)
- Medicaid Purchase Plan Premium Recipient/Employer Electronic Fund Transfer (HCF-13023)
- Medicaid Purchase Plan Premium Recipient/Employer Electronic Fund Transfer Information and Instructions (HCF-12023A)
- Medicaid Purchase Plan Premium Employer Wage Withholding (HCF-12024)
- Medicaid Purchase Plan Premium Employer Wage Withholding Information and Instructions (HCF-12024A)
- BadgerCare Premium Employer Wage Withholding (HCF-13025)
- BadgerCare Premium Employer Wage Withholding Information and Instructions (HCF-13025A)
- BadgerCare Premium Recipient/Employer Electronic Funds Transfer (HCF-13026)
- BadgerCare Premium Recipient/Employer Electronic Funds Transfer Information and Instructions (HCF-13026A)
- Confidential Information Release Authorization – Release to Disability Determination Bureau (HFS-9D)